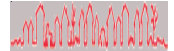




# Renters & Property Insurance

## Theft! Fire! Flood! Is your stuff covered???



So, You're movin' out. Goin' to get your own place. King of your own domain. Do you really need Property Insurance? Whether headed out on your own, facing college, or planning a military carrier, you need to have your stuff covered.

Property and Renters insurance is designed to protect you from a total loss of your property. Remember that the best way to learn about your policy is to read it completely.

### If you're headed out on your own...

If you had to go out today and replace all the clothes in your closet, how much would it cost? Do you have that kind of cash? Your landlord's property policy does not cover your TV, your bed, your clothes, or your CD collection. Contact the Missouri Department of Insurance for a free Renters Insurance Cost Comparison Guide, go out and get three quotes and get covered, you really need it.

### If you're headed to the military...

The military probably won't replace that new \$5,000 camera you put in your footlocker. Although, they may have alternative compensation. If you have personal items in On Base Housing, you need to check with your superior officers to see how your stuff is covered. If it's not, you may want to search for an insurance agent in the area. Many companies and agents give special attention to military personnel.

### If you're headed to college...

Check your parent's policy. Most homeowner's policies will cover items away from the home, up to a certain dollar amount. If you are in doubt after checking the policy, talk to your parent's insurance agent and ask details about their policy. You may not need a renter's policy.... BUT, be careful about that first move into your own apartment. If you move off campus, you may not be covered by your parent's policy.

### Facts

**Proof of Loss** - When you have a claim you must be able to prove you had a loss. You're going to have to produce some kind of proof of ownership. This is why Mom always says - "Keep your receipts"!!!

**Deductible** - A Deductible is a clause in your insurance policy that states you will pay a specific

amount of a claim before the company pays. The higher your deductible, the lower your premium.

**Small Claims Can Hurt** - Most insurance companies will look at your claims record for the previous 3 to 5 years. When a company looks at your claim history they will take into account all your claims. So if you have a \$250 deductible and you file a claim for your stolen patio furniture totaling \$350, not only is the insurance company going to pay only \$100 it will be recorded as a full claim. Severity of a claim does not matter to some insurance companies, simply the number of claims.

Many companies will not insure those who have had 2-3 claims in 3 years, no matter the dollar amount of the claims.

**ACV vs Replacement Value of your TV - Actual Cash Value (ACV)** is the current price of TV or "book value" that you would find if you sell it in the newspaper today. The **Replacement Cost** of your TV is the amount that it would cost you to go out and buy that same TV in the store.

A general property policy will pay you the ACV of your TV. As your TV **depreciates**, you may find that it is hard to replace it with the exact TV. You can purchase "Replacement Cost Coverage" which means the company will pay for you to replace the TV with the same or similar new TV no matter how much (or how old) your TV has depreciated.

**Discounts with Auto Insurance** - Most companies have big discounts on car insurance if you have a renters policy with them. Sometimes the savings is large enough that it covers the price of the renters insurance.

Missouri Department of Insurance  
P.O. Box 690  
Jefferson City, MO 65102-0690

Get more information  
about shopping for insurance  
& complaint indexes at <http://insurance.mo.gov>  
1-800-726-7390

## What the policy covers

**Liability** - You may be liable for the property you live in. Renters Insurance pays for damages that you may have unintentionally caused. It also pays for personal damage or injuries to others.

**Property Damage** - If your candle starts a fire or your roommate is a bad cook and starts a grease fire and the apartment complex burns down, there's a good chance the owner will come after you to pay for the building. It sure would be hard to pay for a new apartment building.

**Personal Injury to Others** - So you're having a party at your new duplex and someone slips and falls off your back deck. Or, what if you get a new dog to go with your new apartment? Dogs can bite you know. Insurance will cover your liability for the injuries to your visitors.

**Personal Items**, such as your stuff at home is covered in case of fire and theft. It's suggested to estimate and itemize once a year the dollar value of the things you own.

**Temporary Stay** - If your place had a fire and it is getting fixed, most policies will pay for you to stay in a different place while they are fixing yours.

**You Can get a separate policy for a specific piece of property** - Let's say you just bought an expensive ring. Better yet, that camera the Military person put in her locker. No, wait, Grandma just passed away and left you an antique clock. As you can see, there are some specific items that you own that may be of value. Property & Renters policies may limit coverage or exclude coverage on certain types of valuables. If you have something of particular value, for example, over \$2,000, you will want to make sure that the company covers it. If not, look into getting a separate policy for that valuable item.

**Flood and Earthquake Insurance** - Flood and Earthquake are usually covered under a separate attached rider. Check with your agent to see if you need this coverage.

### Simple Lesson:

Your neighbor above you installs a hot tub, but your lease says your not allowed to have hot tubs. It breaks and leaks into your apartment!

1. Your neighbor might be liable for the damage to your stuff, but refuses to pay for anything. If you have Renters Insurance and your neighbor doesn't have insurance, who pays for your stuff to be fixed?

2. Now, what is the answer if neither of you have insurance? Who pays for your stuff\_\_\_\_\_?

3. What if you were the neighbor with the hot tub and no insurance? Can you afford to pay for the damage to your apartment plus someone else's' damaged apartment?

Lets estimate the current dollar value of your bedroom.

1. Clothes: if you had to replace your entire wardrobe how much would it cost? Remember coats, shoes, hats, ect. \$\_\_\_\_\_
2. Bed, Dresser, Furniture, Lamps \$\_\_\_\_\_
3. TV, Computer, Stereo, CD's, DVD's \$\_\_\_\_\_
4. Pictures, Rugs, Paint \$\_\_\_\_\_
5. TOTAL \$\_\_\_\_\_



1. Your insurance company pays you for your damage and your company would go after your neighbor to get reimbursed. 2. You do, unless you get a lawyer or a nice neighbor. 3. For the price of 2 pizzas per month; Insurance sounds better than of what a lawsuit may cost you!

Answers: